

No. **0-232A071**

Date **AUG 19 1980**

Fee \$ **20.50**

**ITEL**

ICC Washington, D. C.

**Rail Division**

Two Embarcadero Center  
San Francisco, California 94111  
(415) 955-9090  
Telex 34234

August 11, 1980

RECORDATION NO. **9290-C** Filed & Recorded

**AUG 19 1980 -1 20 PM**

**INTERSTATE COMMERCE COMMISSION**

Ms. Agatha Mergenovich, Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

RECORDATION NO. **9290-B** Filed & Recorded

**AUG 19 1980 -1 20 PM**

**INTERSTATE COMMERCE COMMISSION**

RE: Itel Corporation  
Equipment Trust 1978 Series I  
Equipment Trust Agreement dated as of January 1, 1978

Dear Ms. Mergenovich:

Pursuant to 49 U.S.C Section 11303(a) and the Interstate Commerce Commission's rules and regulations thereunder, I enclose herewith, on behalf of Itel Corporation, for filing and recordation, as additional filings under Recordation No. 9290 three (3) executed counterparts of the following documents:

**9290 -B**  
Supplement No. <sup>16</sup> 17 Equipment Trust Agreement dated as of January 1, 1978, dated as of August 1, 1980, between Itel Corporation and First Security Bank of Utah, N.A., as Trustee.

**9290 -C**  
Assignment of Lease and Agreement, dated as of August 1, 1980, between Itel Corporation and First Security Bank of Utah, N.A., as Trustee.

The names and addresses of the parties to the aforementioned documents are:

- (1) Itel Corporation, Rail Division  
Two Embarcadero Center, 24th Floor  
San Francisco, California 94111
- (2) First Security Bank of Utah, N.A., as Trustee  
79 South Main Street  
Salt Lake City, Utah 84111

The equipment covered by the enclosed Supplement No. 1 and Assignment of Lease and Agreement is 100 of the railcars covered by that certain Equipment Trust Agreement dated as of January 1, 1978, between Itel Corporation and First Security Bank of Utah, N.A., as Trustee.

Enclosed also is a check for \$20.00 for the required recordation fee. Thank you very much for your attention to this matter.

Sincerely,

*Paul Loveday*  
Paul Loveday  
Senior Counsel

MM/rcs  
Enclosures

RECEIVED  
AUG 19 1 12 PM '80  
I.C.C.  
FEE OPERATION BR.

*C. O'Connell - 4/16/80*

AUG 19 1980 - 1 20 PM

## INTERSTATE COMMERCE COMMISSION

**ASSIGNMENT OF LEASE AND AGREEMENT**, dated as of and effective as of August 1, 1980 (hereinafter called the Assignment), by and between **ITEL CORPORATION**, a Delaware corporation (together with its successors and assigns, being hereinafter called Itel), and **FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION**, as Trustee, a national banking association, incorporated and existing under the laws of the United States of America (hereinafter called the Trustee).

**WHEREAS**, Itel and the Providence and Worcester Company (hereinafter called P&W) entered into a lease of Equipment (as defined in the Agreement), dated as of January 14, 1977, (such lease, together with any amendments or supplements thereto, being hereinafter called the P&W lease), pursuant to Equipment Schedule No. 2 of which, executed by Itel on December 12, 1977, Itel leased to P&W 150 of the units of the Trust Equipment (as defined in the Agreement), bearing road numbers PW 404 through and including PW 553.

**WHEREAS**, Itel assigned to the Trustee, as collateral security for the performance of Itel's obligations under the Agreement, all of Itel's interest under the P&W lease to the extent the P&W lease relates to the Trust Equipment, including Trust Equipment bearing road numbers PW 404 through and including PW 553 (the document by which such assignment was effected is entitled Assignment of Lease and Agreement and is dated as of March 21, 1978);

**WHEREAS**, subsequent to December 12, 1977, one of the aforesaid units of Trust Equipment which was designated PW 485 was destroyed, leaving one hundred forty-nine (149) units of Trust Equipment subject to Equipment Schedule No. 2 of the P&W Lease;

**WHEREAS**, the P&W lease has been terminated with respect to said Trust Equipment;

**WHEREAS**, Itel and Alabama State Docks Department, an Agency of the State of Alabama, doing business as Terminal Railway, Alabama State Docks (hereinafter called the Lessee) have entered into a lease, dated as of April 4, 1977 (such lease, together with any amendments or supplements thereto, being hereinafter called the Lease) pursuant to Equipment Schedule No. 15 of which Itel leased to the Lessee the above-referenced Trust Equipment, formerly leased by Itel to P&W, and pursuant to which Itel will undertake to change by remarking the road numbers on 100 units of said Trust Equipment from the above referenced road numbers to TASD 78601 to and including TASD 78700;

**WHEREAS**, the Lease may also cover the leasing to the Lessee of other equipment not included as part of the Trust Equipment; and

**WHEREAS**, in order to continue to provide security for the obligations of Itel under the Agreement, Itel agrees to assign for security purposes its rights in, to and under the Lease to the Trustee as and only to the extent that the Lease relates to the Trust Equipment;

**NOW, THEREFORE**, in consideration of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. Itel hereby assigns, transfers and sets over unto the Trustee, as collateral security for the payment and performance of Itel's obligations under the Agreement, all of Itel's right, title and interest, powers, privileges and other benefits under the Lease as and only to the extent that the Lease relates to the Trust Equipment set forth in Annex A hereto, including, without limitation; all rights to receive and collect all rentals, profits and other sums payable to or receivable by Itel from the Lessee under or pursuant to the provisions of the Lease to the extent that the same are payable in respect of such Trust Equipment, whether as rent, casualty payment, indemnity, liquidated damages or otherwise (such moneys being hereinafter called the Payments); **PROVIDED, HOWEVER**, that until an Event of Default under the Agreement, or any event which, with notice or lapse of time or both, could constitute such an Event of Default, shall occur, it is understood that Itel shall be entitled to collect and receive all such Payments and to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to apply all Payments to which Itel is entitled to the payment of any and all of Itel's obligations under the Agreement and to retain the balance, if any. In furtherance of the foregoing assignment, but subject to the foregoing provisions of this paragraph, Itel hereby irrevocably authorizes and empowers the Trustee in its own name, or in the name of its nominee, or in the name of Itel or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which Itel is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof. Whenever a Lease covers other equipment not included as part of the Trust Equipment and the amount of any payment due to Itel under such Lease as car hire payments (including both straight and incentive per diem), mileage charges or other rental revenues is calculated on an aggregate basis for all equipment leased thereunder, for the purposes of this Assignment an amount equal to the Assigned Fraction (as hereinafter defined) of each such payment shall be deemed to be payable with respect to such Trust Equipment leased under such Lease. The term "Assigned Fraction" as used herein shall mean a fraction the numerator of which shall be the number of units of equipment comprising such Trust Equipment leased under such Lease and the denominator of which shall be the aggregate number of units of equipment (including such units of Trust Equipment) at the time leased under such Lease.
2. This Assignment is executed only as security for the obligations of Itel under the Agreement and, therefore, the execution and delivery of this Assignment shall not subject the Trustee to, or transfer, or pass, or in any way affect or modify, the liability of Itel under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of Itel to the Lessee shall be and remain enforceable by the Lessee, its successor and assigns, against, and only against Itel or persons other than the Trustee.
3. To protect the security afforded by this Assignment, Itel agrees as follows:
  - (a) Itel will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides is to be performed by Itel.

- (b) At Itel's sole cost and expense, Itel will appear in and defend every action or proceeding arising under, growing out of or in any manner connected with the obligations, duties or liabilities of Itel under the Lease.
  - (c) Should Itel fail to make any payment or to do any act which this Assignment requires Itel to make or do, then the Trustee, but without obligation so to do, after first making written demand upon Itel and affording Itel a reasonable period of time within which to make such payment or do such act, but without releasing Itel from any obligation hereunder, may make or do the same in such manner and to such extent as the Trustee may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Trustee, and also the right to perform and discharge each and every obligation, covenant and agreement of Itel contained in the Lease; and in exercising any such powers, the Trustee may pay necessary costs and expense, employ counsel and incur and pay reasonable attorneys' fees, and Itel will reimburse the Trustee for such costs, expenses and fees.
- 4. Upon the full discharge and satisfaction of all of Itel's obligations under the Agreement and this Assignment, all rights herein assigned to the Trustee shall terminate, and all estate, right, title and interest of the Trustee in and to the Lease shall revert to Itel.
  - 5. Itel will, from time to time, do and perform any other act and will execute, acknowledge, deliver and file, register, deposit and record (and will refile, reregister, rerecord or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Trustee in order to confirm or further assure, the interests of the Trustee hereunder.
  - 6. If an Event of Default shall occur and be continuing under the Agreement, the Trustee may assign all or any of the rights assigned to it hereby or arising under the Lease, including without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Trustee hereunder. The Trustee will give written notice to Itel and the Lessee of any such assignment.
  - 7. This Assignment shall be governed by the Laws of the State of Utah, but the parties shall be entitled to all rights conferred by the laws of the United States permitting filing with the Interstate Commerce Commission.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective names, by officers thereunto duly authorized, and their respective seals to be affixed and duly attested, all as of the date first above written.

ITEL CORPORATION

By: Carl M. Lyle  
President, Rail Division

ATTEST:

\_\_\_\_\_  
Secretary

FIRST SECURITY BANK OF UTAH  
National Association, as Trustee

By: Lucinda E. Edwards  
Senior Trust Officer

ATTEST:

Asst. Trust Officer  
[Signature]

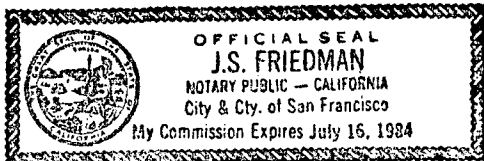
ANNEX A

<u>No. of Units</u>	<u>Road Numbers</u>	<u>Description</u>	<u>AAR Mechanical Designation</u>
100	TASD 78601-78700 (both inclusive)	70-ton, 50'6" boxcars with 10' sliding doors and 10" end-of- car cushioning.	XM

STATE OF CALIFORNIA )  
 )  
COUNTY OF SAN FRANCISCO )

ss:

On this 11th day of August, 1980, before me personally appeared Carl N. Taylor, to me personally known, who, being by me duly sworn, says that he is President, Rail Division; of ITEL CORPORATION, that said instrument was signed on behalf of said corporation by authority of its By-laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



J.S. Friedman  
Notary Public

(Notarial Seal)

My Commission Expires:

STATE OF UTAH )  
 )  
COUNTY OF SALT LAKE )

ss:

On this 18th day of August, 1980, before me personally appeared Fuchia B. Eschero, to me personally known, who, being by me duly sworn, says that she is a ~~Senior~~ Trust Officer of FIRST SECURITY BANK OF UTAH, National Association, a national banking association, that said instrument was signed on behalf of said national banking association by authority of its Board of Directors and she acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

(Notarial Seal)

My Commission Expires:

7/17/82

Casey V. Krabel  
Notary Public